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DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3828 NAZIWAR CRIMES DISCLOSURE ACT DATE 2007

MEMORANDUM FOR: Chief of Foreign Intelligence

SUBJECT

: Project AECOB (Renewal)

1 November 1955

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PURPOSE: To gather intelligence from the Latvian SSR using REDSCXoperational methods.

2. PERSONNEL:

- a. AECAMUSO/2, Herbert Okalo (p), escaped from Latvia to Sweden and was recruited there in 1951. Prior to this he had fought the Russians, first under the derman Sponsored Latvian legion and then with Partisan groups. He was trained and re-infiltrated in 1952 and has been in contact by S/w. Hqs. transmits to him by w/T. He has successfully lived in Latvia despite a skirmish with Soviet troops which resulted in the loss of most of his equipment and funds. He has also recruited two legal sub-agents within Latvia. It is planned to exfiltrate him. He is witting of AIS sponsorship of his activities.
- b. AECAMBARO/2, Lyman M. Hameret (p), has the same background as AECAMUSO/2. In Sweden he organized a Latvian Contacts group to carry on the Partisan fight. He was recruited in 1951 and was taken to Germany where he recruited AECAMUSO/3 and helped train the other AECAMUSOs. He then came to the U.S. and assisted in AEBIAS/2's training. He was dispatched to the Latvian SSR in 1954 with the mission of exfiltrating AECAMUSO/2. He transmits by S/W and receives by W/T. He is witting of CIA sponsorship of his activities.
- c. AECCB/1 and AECCB/2 are both former members of the Latvian Legion who have been recruited inside Latvia by AECAMUSO/2. AECOB/1 is a locksmith and mechanic with access to gov't. buildings. He has been given an S/W system for communications with Hqs. and has reported some worthwhile intelligence. AECOB/2 is a garage manager with access to an auto and travel documents. He passes intelligence to AECOB/1.
- d. AECOB/3 and AECOB/4 are also former members of the Latvian legion still in Latvia. They have been recruited and trained by AECAMBARO/2. AECOB/3 is presently a school teacher. He has received W/T training and equipment from AECAMBARO/2. AECOB/4 was a derman I.S. agent in 1940-41 and is believed to have contact with other former agents. AECAMBARO/2 has given him S/W training and equipment.

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- e. AECAMUSO/3, Boris Levetsky (p), a former Tumberjack, became a DP at the end of WW II and was recruited in Germany in 1952 and dispatched into Latvia the same year. He is in regular W/T contact but is considered to be controlled.
- f. ASCAMUSO/1, Ogor A. Feldman (p), was dispatched into Latvia in 1952 and is presumed dead since he never made contact. He has been terminated.
- g. AEBIAS/2, Charles H. Nourse (p), was dispatched into Latvia in 1953, has never been heard from and is presumed dead. He has been terminated.
- h. I I an American in Stockholm, was carried in the project last year. Since he is rarely used he is being terminated from the project and when used will be paid from OOA.
- i. Control, motivation and cover: All infiltrated agents have been given false documentation. To exfiltrate they probably must rely on CIA assistance. They also know that CIA controls salary payments being held for them. All agents are primarily motivated by a passionate hatred for the Soviets.

3. PAST APPROVALS:

Action	Officer	Period	Authorized
Approval	C/FI	1 Oct. '52-30 Sept. '53	\$82,000
Amendment	C/FI	Provide for bonuses for agents being	- -
•		infiltrated.	(None)
Extension	C/Plans	1 Oct. '53-31 Jan. '54'	(None)
Extension	C/FI	1 Feb. '54-31 March '54	18,000
Renewal	COP-DD/P	1 April '54-31 March '55	47,075
Amendment	C/FI	To provide for death benefit for	
		AECAMUSO/1.	3,000
Amendment	C/FI	To provide for bonus and additional	
		salary to AECAMUSO/2.	5 , 600
Amendment	COP-DD/P	To provide for operational currency to	
¢.		be infiltrated to agents.	60,000
Extension	C/FI	l April '55-31 May '55	6,000
Extension	C/FI	l June '55-31 July '55	6,000
Amendment	COP-DD/P	To acquire Hydrofoil boat and two man	
		crew.	17,600

4. HISTORY: This project was originally a FM activity under the name ZRLYNCH.

In 1952 it was submitted as a basic plan under the name ALCOB to combine all PP, FM, and FI activities directed a aimst Latvia. In July 1955, the FP and FM portions of the project were removed and as of 1 December 1953 the REDSKIN and cover organization support aspects were removed and incorporated into current Project AEMARSH.





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This project is now considered one half complete. Five agents have been infiltrated into the Latvian SSR and two of these are considered to be operating successfully since they have reported recruitments of four well-placed resident agents. The two, AECAMUSO/2 and AECAMBARO/2, have come together. In late 1954 they started to exfiltrate through the Karelo-Finnish SSR but the attempt failed. They returned to Latvia and this fall another exfiltration attempt, approved by the DCI after an analysis of traffic revealed no evidence of control, was made. This failed when the agents did not appear at the rendezvous point. A maritime exfiltration is now being planned. The Division anticipates that it will no longer be necessary to dispatch REDSOX agents into Latvia if the exfiltration is successful. The assets presently in place will be encouraged to enlarge their activities and develop and expand carefully compartmented nets. An operational container containing technical equipment, money, drugs and documentation will be air dropped. Contact with AECAHUSO/3 will be maintained, although he is believed controlled, in hopes that he will be allowed to live indefinitely.

- 5. EVALUATION: Fourteen reports were received and disseminated during the period March 1954 through June 1955. Seven evaluations by ORR, Army and the Air Force indicated that the information was of value but generally too vague and lacking in detail. MAN requests, although the project is at present primarily operational, that the AECOB sources be briefed on the importance of observing and reporting as much specific detail as practicable.
- 6. ACTION REQUESTED: Renewal for the period 1 August 1955 through 31 July 1956 at a total cost of #26,323.

Annual Breakdown:	Compensation:	AECANUSO/2 AECANUSO/3	42,400 3,000
	Bonuses:	AECAHBARO/2 AECAHUSO/2 AECAHBARO/2	6,000 4,200 5,000
	Travel	•	3,000
	Supplies and E	420	
	Commo equipmen	983	
•	racilities	1,320	

Commitments: (1) To AECA-USO/3 to provide assistance to his common-law wife and son in emigrating to the U.S. His wife will be paid a living allowance upon her arrival in the U.S. and funds required will be requested by amendment.

(2) A \$5,000 bonus to AmCAMBARO/2 upon his exfiltration or a \$10,000 death and disability payment should he fail.

(3) = \$3,000 bonus plus \$200 for each six months of his CIA service will be paid to AECAMUSC/2 upon his exfiltration. He is also covered by \$10,000 death and disability.

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\$84,339 was expended from project funds during the period 1 April 1954 through 31 March 1955. (Projects Branch note: This presumably includes \$60,000 authorized for a money resupply which has not yet been dispatched into the denied area.)

7. STAFF COMMENTS: FI/OPS recommends that shortly prior to the exfiltration attempt, an up-to-date and thorough analysis of the messages passed by the agents to base be made for any indication of danger or control.

/o-Chief/Plans

Concur, subject to para. 7 above:

Chief/Fi

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Staff Coordination:

For C/FI/OPS - s/ For C/CI/OA - s/ For C/CI - s/ C/FI/RQM/RE - s/

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